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EEB/ESC FOR HAMMANG, EEB/TFS FOR BACKEMEYER  
NEA/IR FOR WADHWANI

E.O. 12958: DECL: 12/02/2019  
TAGS: [ECON](#) [ENRG](#) [EPET](#) [ETTC](#) [PREL](#) [IR](#) [AU](#)  
SUBJECT: AUSTRIA'S OMV SAYS NO INVESTMENTS IN IRANIAN  
ENERGY SECTOR

REF: A. A) STATE 121808  
[1](#)B. B) 2009 VIENNA 44 (NOTAL)

Classified By: Amb. William C. Eacho III. Reason: 1.4(b)

[1](#)1. (C) SUMMARY: OMV says it does not currently have investments or activities in Iran's oil/gas sector anywhere approaching ISA (Iran Sanctions Act) thresholds. The Austrian government has publicly reaffirmed its line against new investments in Iranian energy. END SUMMARY.

[1](#)2. (C) On November 30, Ambassador delivered ref A demarche in a meeting with OMV CEO Wolfgang Ruttenstorfer. The Ambassador made the case for Western governments and US/European companies to speak in chorus to Iran about the need for its government to comply with international obligations. The Ambassador also noted current moves in the U.S. Congress to expand our sanctions, with potential impact on energy companies whose activities are not currently covered under ISA.

[1](#)3. (C) Ruttenstorfer agreed that "now is not the time" for expanding commercial ties with Iran and said flatly that OMV has "no investments" and "no real contracts" in Iran's energy sector. The company does maintain an office in Teheran, and is keeping its ties there intact in the hopes of a diplomatic breakthrough, but OMV is not/not invested in Iran's energy sector and is not engaged in exploration/production (E&P) nor gas infrastructure projects there.

[1](#)4. (C) Pressed for details on reported OMV interests in Iranian oil/gas projects, Ruttenstorfer replied as follows:

-- South Pars: OMV did enter into an April 2007 MOU for participation in the South Pars gas field/LNG project, but "the MOU has lapsed" and OMV has not moved to renew the MOU, enter contracts, or make investments.

-- Mehr: On the Mehr oil field, OMV has informed the Iranian side that it is not proceeding with E&P activities there; it has no current involvement in that project. The project was "not economic" to develop.

-- Raz: Ruttenstorfer and Public Affairs head Lorenz Birklbauer did not recognize the "Raz Exploration Block" project cited in ref A.

[1](#)5. (C) Ruttenstorfer noted that the company periodically buys crude oil from Iranian producers, but opined that such purchases are not problematic until/unless the sanctions regime changes, adding that "even Israel" for example buys

Iranian crude.

GoA: Energy Standstill in Iran

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¶6. (U) Austrian FM Michael Spindelegger used a visit last week by German FM Westerwelle to repeat the GoA line against new energy investments in Iran (ref B). The GoA has enunciated "a clear no" to expanding energy ties with Iran, according to FM Spindelegger, who announced that OMV had pledged again not to expand investments in Iran, nor to sign future gas arrangements with Iran relating to the planned Nabucco gas pipeline.  
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